

PORT OF SEATTLE NORTH BAY COMPREHENSIVE PLAN AMENDMENT

Required Questionnaire

- 1) Provide a detailed description and explanation of the proposed text amendment. Include the element (land use, transportation, etc) and the specific goal or policy to be amended.**
 - a) If the amendment is to an existing goal or policy, show proposed edits in “line in/line out” format with text to be added indicated by underlining, or text to be deleted indicated with strikeouts.**
 - b) If the amendment would also require a change to the Seattle Municipal Code, indicate the section needing the change and suggested edits to the code language in “line in/line out” format.**

INTRODUCTION

The North Bay site, as defined herein, consists of the Port of Seattle’s approximately 91-acre upland portion of Terminal 91 north of the Magnolia Bridge and the approximately 5-acre West Yard property located south of the Magnolia Bridge. For purposes of this application, the North Bay site also includes the approximately 25-acre National Guard property immediately east of the upland portion of Terminal 91, for a total site area of 121 acres. Piers 90 and 91, and the associated fill area south of the Magnolia Bridge are not included in the North Bay site, and will remain in active maritime industrial use (refer to Figure 1 for a delineation of the North Bay site).

The Port of Seattle requests a map amendment and associated text amendments from the existing City of Seattle Comprehensive Plan land use designation of *Industrial* for the North Bay site to a new designation allowing the creation of a thriving employment and commercial hub emphasizing knowledge-based employment such as biotech, industrial design, software development and telecommunications uses, supported by a range of complementary uses, and consistent with pedestrian friendly, transit-oriented development that would assist the City in achieving the land use, transportation, economic development and job creation objectives of the Comprehensive Plan. The Comprehensive Plan amendment is requested under two (2) possible options: 1) amend the Comprehensive Plan map to re-designate the North Bay site to Commercial/Mixed Use with a Hub Urban Village designation; or, 2) amend the Comprehensive Plan text to authorize the creation of a “North Bay overlay” zone and apply the overlay to the North Bay site. The Port’s decision to seek such a request follows several years of prior analysis conducted as part of a public strategic planning process, and a current effort that will lead to preparation of a long-term master development plan for the North Bay site. Under either Comprehensive Plan amendment option, the opportunity to continue and expand operations of CityIce and Trident Seafoods would be retained and the existing greenbelt area at the western edge of the site would be preserved.



FIGURE 1: NORTH BAY SITE

 North Bay Site

- ¹ CityIce and Trident Seafoods operations will continue and their expansion options accommodated
² Greenbelt to be preserved

The Port views the two proposed options as mutually exclusive. After consultation with the City of Seattle and further public input regarding which option best meets the needs of the community, one of the options will be selected as the appropriate vehicle for amendment of the Comprehensive Plan.

The Port is currently engaged in a master planning and public outreach effort for the North Bay site. The two Comprehensive Plan amendment options are proposed at this time to allow the Port flexibility to continue working with the City and the community to determine the best uses for North Bay. Both options are consistent with the Port's goals of accommodating diverse uses that contribute to the City's employment and tax base by linking the current maritime industrial activity with emerging knowledge-based employment sectors.

The following information summarizes the planning process that lead to the Port's submission of this Comprehensive Plan amendment for the North Bay site and provides the rationale for the requested amendment under either option. The specific description of the proposed Comprehensive Plan text amendments are provided later in this section.

BACKGROUND

The Port of Seattle is a municipal corporation created in 1911 by the voters of King County. The Port of Seattle owns and operates Sea-Tac Airport and Seaport facilities along Elliott Bay, the Duwamish, the Ship Canal and Puget Sound. The 5-year strategic plan adopted by the Port Commission in early 2003 includes seven strategies, four of which direct the Port to develop new business and economic opportunities for the region; to be a catalyst for regional transportation solutions; to exhibit environmental stewardship through our actions; and to enhance public understanding and support of the Port's role in the region.

The Port's Economic Development Division is leading implementation of the strategies related to new business and economic opportunities and regional transportation. Created in December 2002, the division includes groups focused on real estate development, economic and trade development and regional transportation. The real estate development group's work centers on developing selected Port real estate assets no longer needed for marine and aviation purposes in order to promote the region's economic vitality.

Prior to formation of the division and initiation of the North Bay project, the Harbor Development Strategy 21 (HDS-21) strategic planning effort helped define an overall strategic direction for achieving the vision and goals for Port resources and assets (including Terminal 91). The Port initiated the HDS –21 process in early 2000. Developed by an Advisory Committee (consisting of citizens, Port customers, City of Seattle staff, business and real estate professionals, representatives of labor groups and neighborhood associations, and Port staff), HDS 21 was adopted by the Port in June 2001. HDS-21 established the following three key principles (termed "Triple Bottom Line") for future Port actions:

- Economic Benefits – creation of new sustainable employment for the region.
- Environmental/Community Benefits – transportation infrastructure improvements, enhanced public access, environmental enhancement, and reclamation of unutilized/underutilized and contaminated property.
- Financial Sustainability – long-term profitability of Port resources.

Relative to North Bay, HDS 21 indicated that in light of the increasing land values of the upland property north of the Magnolia Bridge, current underutilization of those properties, and given that those properties are not expected to be needed to support cargo activities on Piers 90 and 91, the Port should begin a master planning process and explore uses for the site that would benefit the Port, City of Seattle, the adjacent community, and the entire region.

TERMINAL 91 AND NORTH BAY

Previous Uses

The Terminal 91 shoreline area has been used for maritime commerce since the late 1890's when Smith Cove served as the terminal point for the transcontinental railway and transpacific steamship lines to Asia. In 1911 the Port acquired the property and completed construction of Pier 90 in 1913. Construction of Pier 91 began in 1917. Through approximately 1940, Terminal 91 was primarily used for open lumber and canned salmon storage uses. In 1941 the United States Navy took over Terminal 91 for use as a Navy supply depot during World War II; the terminal was also used to supply ships for the Korean and Vietnam conflicts. Construction of the marine fuel facility (Tank Farm) occurred in the late 1930's.

In 1970 the federal government declared Terminal 91 surplus, allowing the Port to negotiate reacquisition of the site; the Port officially reacquired Terminal 91 in 1976. In association with Port reacquisition, the Port Commission adopted a policy statement establishing: formation of a Neighborhood Advisory Committee; limitation on the amount of new fill; and, the set aside of area for an open water park (Smith Cove Park).

During the 1980's and 1990's, the Port implemented improvements to the terminal, including: demolition of several older buildings; construction of Smith Cove Park; construction of a building to support auto processing; construction of CityIce buildings 390 and 391; construction of the Trident Seafood building 392; and, construction of on-dock chill facilities on Pier 90.

A major use at Terminal 91 during the 1990's was the unloading and storage of Nissan automobiles for North American distribution. Automobile storage occurred on approximately 50 acres of paved area in the northern portion of Terminal 91 (north of the Magnolia Bridge). Nissan consolidated its operations in southern California in 2001 and this portion of the property, which currently contains only a few temporary uses, represents the majority of the North Bay site.

Existing Uses and Land Use Designations

Existing Site Uses

The approximately 152-acre Terminal 91 property consists of shoreline adjacent area south of the Magnolia Bridge and upland area north of the Magnolia Bridge. The approximately 91-acre upland portion of Terminal 91 north of the Magnolia Bridge, along with the approximately 5-acre West-Yard parcel south of the bridge, comprise the Port's ownership portion of the North Bay site. For purposes of this application, the North Bay site also includes the 25-acre National Guard property east of the upland portion of Terminal 91. The Port and the Washington State Military Department (National Guard) executed a Memorandum of Understanding in May, 2003 that anticipates a government-to-government land transfer that would entail relocation of National Guard facilities to another site in the region and transfer of ownership of this parcel to

the Port. Figure 1 outlines the North Bay site. Approximately 57 acres of the North Bay site owned by the Port are paved and vacant, except for a few short-term uses. On the remaining part of the Port's ownership portion of the North Bay site are the following uses: five (5) buildings associated with Citylce and one (1) with Trident Seafoods; the Northwest Harvest building; an Auto Processing Building and the Tank Farm (tanks scheduled to begin removal in Summer 2004).

Existing Land Use Designations

The North Bay site is designated Industrial by the City of Seattle Comprehensive Plan with the portion of the North Bay site owned by the Port zoned IG-1 and the National Guard portion of the North Bay site zoned IG-2 by the Seattle Municipal Code. A primary purpose of the industrial designations of the Comprehensive Plan and Municipal Code is to encourage traditional industrial use within the City of Seattle. The IG-1 and IG-2 zones are intended to promote the use of industrial land for industrial purposes, and uses considered incompatible with industrial, such as office, retail, residential and services are prohibited or limited. The types of use permitted in the IG-1 and IG-2 zones include: general manufacturing, marine retail sales and services, warehouse, food processing, and outdoor storage. Similar uses (e.g. general and light manufacturing, warehouses, and certain food processing) are allowed outright in the Commercial (C-1 and C-2) zones.

Industrial designated land in the City of Seattle is generally concentrated within the industrial centers of Duwamish and Ballard Interbay (BINMIC). These two industrial centers contain approximately 5,109 acres of industrially designated land, with approximately 4,138 acres in the Duwamish and approximately 971 acres in BINMIC¹. The North Bay site represents only 2 percent of the total industrially designated land in the City of Seattle and only 12 percent of the industrially designated land in BINMIC.

Industrial Market Conditions

The ten years since adoption of the 1994 Seattle Comprehensive Plan has witnessed a change in the nature of the regional and local industrial market. The traditional industrial market, including uses such as manufacturing and warehouse/distribution, has focused growth to the available lands in South King County (Kent Valley), East King County, Pierce County and Snohomish County. Industrial lands in these four areas, which now accommodate approximately 73 percent of total industrial building space in the Puget Sound Region², have a distinct competitive market advantage over industrial lands in the City of Seattle due primarily to lower land costs and rents, newer and more efficient industrial buildings, lower utility rates, lower local taxes (e.g., no local business and occupation or Monorail tax), and convenient proximity to freeways.

The demand for industrial land and employment in Seattle has shifted in the last decade from the more traditional manufacturing and warehouse/distribution uses to emerging "knowledge-based" industrial uses such as biotech, industrial design, software development and telecommunications; the recently constructed Amgen biotech facility to the south of North Bay and the Adobe Systems complex in Fremont are examples of knowledge-based industrial uses and employment. Typically, traditional industrial uses are segregated from other uses, such as retail and residential, due to perceived incompatibilities with manufacturing operations and warehousing and distribution functions. On the other hand, emerging industrial uses typically

¹ Page 1 of the BINMIC Plan, 1998.

² Gardner Johnson, 2003.

choose to locate in close proximity to complementary uses such as retail services and housing, and benefit from convenient access to multi-modal transportation opportunities and amenities such as parks and trails.

The existing Industrial Comprehensive Plan designation and the IG-1 and IG-2 zoning designations for North Bay limit the ability to successfully market and develop “knowledge-based” industrial uses such as biotech, industrial design, software development and telecommunications, and the existing designations lack the flexibility needed to respond to recent and future market conditions. To date, the Port has not been able to respond to this industry shift and a large portion of the site is underutilized and/or vacant despite marketing efforts to traditional industrial users.

Today, the roughly 40-acre portion of Terminal 91 south of the Magnolia Bridge, including the piers and fill area, is an active maritime industrial area with unloading and loading of ships at 19 berths along the piers, viable cold and frozen storage uses, and other maritime uses. The seaport activities associated with the piers will continue to provide maritime industrial employment opportunities and financial sustainability for the Port in the future. In addition, the Seaport will be actively seeking tenants to improve the utilization and efficiency of this area. Preliminary analysis indicates that upon completion of current capital projects approximately twenty-five (25) acres of the piers and short-fill area could support a range of new maritime and water dependent functions such as fishing and fish processing, cold storage, tug/barge, recreational moorage/dry stack, boat repair/maintenance, and research vessels and support facilities.

The North Bay site (area primarily north of the bridge) is underutilized. Traditional industrial uses allowed under the existing Industrial Comprehensive Plan designation and the IG-1 and IG-2 zoning classifications do not provide for substantial employment growth opportunities or financial sustainability due to the following:

- The Industrial designation and IG-1 and IG-2 zones currently prohibit or restrict certain uses that are needed to accomplish the vision of creating a vibrant “knowledge-based” employment center at North Bay (i.e., high tech, biotech, service, retail uses).
- The potential for office and retail uses that could serve the North Bay population as well as the adjacent Magnolia and Queen Anne communities is, therefore, limited under existing zoning in order to preserve areas for traditional industrial development. This segregation of uses does not allow for the synergy of uses that is necessary to achieve a “knowledge-based” employment center.
- Existing industrial development standards, that implement the Industrial designation, limit height, floor area ratio and amount of development of non-industrial uses such that a viable mix of uses is not achievable at North Bay.
- Potential residential uses that could support a knowledge-based employment center and help achieve City housing and density objectives are prohibited in industrial areas.

Conclusion

- ❖ *Since adoption of the Seattle Comprehensive Plan in 1994, regional and local industrial market conditions have changed, with the traditional industrial market focused in areas outside of the City of Seattle and industrial demand in Seattle shifting to a “knowledge-based” focus. This trend is forecast to continue for the foreseeable future.*
- ❖ *The existing Industrial designation and IG-1 and IG-2 zoning of the North Bay site do not provide the opportunity for the Port to respond to this industrial market shift or create a vibrant, viable and market-driven employment center at North Bay. Changes in the governing designations are warranted and necessary to achieve the Port’s and the community’s vision and objectives, as well as to allow for a wide range of public benefits.*
- ❖ *The North Bay site represents only 12 percent of the current industrially designated land in BINMIC and only 2 percent of industrially designated land in the City of Seattle.*
- ❖ *Maritime industrial uses would continue at Piers 90 and 91 and the shortfill area south of the Magnolia Bridge.*
- ❖ *Citylce Cold Storage and Trident Seafoods’ operations north of the bridge would be preserved and their expansion options accommodated as part of either Comprehensive Plan amendment option for North Bay.*

Ongoing Transportation Planning

Several major transportation projects are planned for the Interbay corridor that will affect future land use and development patterns in the area. The City of Seattle is currently engaged in conceptual design and environmental review for the Magnolia Bridge replacement project. The Monorail green line will be constructed along 15th Ave. NW; a future Monorail station is planned to be located in proximity to the North Bay site in the future. The Sound Transit commuter rail line runs adjacent to the North Bay site, and there is the potential for a commuter rail station in the immediate area. Finally, there is also the potential for an extension of the Waterfront Streetcar from its current terminus to the Interbay area. These projects will present new multi-modal transportation opportunities for the Magnolia, Queen Anne, Interbay and Ballard communities, including the potential for efficient connections among these systems, and will be in addition to existing transit and bicycle/pedestrian facilities in the area.

Conclusion

- ❖ *Future redevelopment of the North Bay site as a knowledge-based industrial center (consistent with the proposed Comprehensive Plan amendments) would support various transportation opportunities that are planned and/or possible for the surrounding area, as well as existing transit and bicycle/pedestrian facilities. The proposed*

amendments would further City of Seattle and regional planning goals of encouraging higher density uses in proximity to transit facilities (transit-oriented development). Emerging knowledge-based uses, such as biotech, industrial design, software development and telecommunications, would result in the types and density of jobs that benefit from and support accessible multi-modal transportation opportunities and bicycle/pedestrian connections.

Port Policies Relating to North Bay

In the face of industry shifts and the changing market conditions described above that directly impacted the Port's tenants, the Port is responding by developing a new strategic direction and plan for certain assets, including the North Bay site, no longer needed to support traditional maritime industrial uses.

The HDS 21 comprehensive strategic planning effort summarized above provides foundation for the Port's efforts to improve the use of underutilized sites, such as North Bay. HDS 21 defined a direction for the Port emphasizing financial sustainability of Port resources, employment growth and diversification for the regional economy and environmental/community benefits. The HDS 21 effort included a detailed analysis of some significant Port assets, including the overall Terminal 91 area and the North Bay site.

Subsequent to adoption of HDS 21, the Port commenced an extensive planning program to further define market conditions, site potential and environmental issues associated with potential future North Bay site redevelopment. The Port also initiated a comprehensive public outreach program involving neighbors and neighborhood groups, the City of Seattle, existing on-site businesses, the area business community, and other groups and individuals (see *section 6 below for further detail on the public outreach program*). A major outcome of this planning and public outreach effort was the establishment of the following Vision Statement and Working Objectives for North Bay in 2003.

Vision Statement

North Bay is a thriving center that advances the region's economic vitality and generates new revenue for the Port and the region through linking the maritime industrial job activity of the present with the emerging industries that will shape the region's future.

Working Objectives for North Bay

- ***Enhance the region's economic vitality creating a vibrant employment node that integrates the current maritime industrial job activity with emerging industries.***
- ***Create a new source of long-term revenue for the Port.***
- ***Facilitate construction of a integrated, affordable and convenient transportation infrastructure system that addresses the area's transportation challenges by expanding options.***
- ***Identify and pursue a market-driven, yet mission-appropriate, mix of uses.***

- *Establish inviting and environmentally sustainable public amenities.*
- *Respect the site's maritime heritage and sensitively “reconnect” the site to the surrounding neighborhoods.*
- *Engage public and private stakeholders to invest in North Bay’s development and success.*
- *Consider connections to other Port properties.*
- *Refine existing technical knowledge related to; geotechnical conditions, environmental remediation, capacity of the utilities infrastructure, and environmental sustainability.*

Conclusion

- ❖ ***In response to industry shifts and changing employment and industrial market conditions, the Port developed a new vision and objectives calling for potential redevelopment of the underutilized North Bay site to a knowledge-based, market-driven industrial center that would benefit the Port, City and surrounding community.***
- ❖ ***The Port of Seattle’s vision for North Bay includes retention of the traditional and active maritime industrial use on Piers 90 and 91 and the Citylce and Trident Seafoods area north of the Magnolia Bridge.***

PROPOSED COMPREHENSIVE PLAN MAP AND TEXT AMENDMENTS

The Port requests a change from the existing Seattle Comprehensive Plan land use designation of *Industrial* for the North Bay site to a new designation allowing the creation of a thriving employment and commercial hub emphasizing emerging knowledge-based employment supported by a range of complementary uses. The Comprehensive Plan amendment is requested under two possible options: 1) amend the Comprehensive Plan map to re-designate the North Bay site to Commercial/Mixed Use with a Hub Urban Village designation; or, 2) amend the Comprehensive Plan text to authorize the creation of a North Bay overlay and apply the overlay to the North Bay site. Approval of the proposed amendment would allow for the creation of a knowledge-based industrial center with pedestrian and transit facility orientation that would assist the City in achieving the land use, transportation, economic development and job creation objectives of the Comprehensive Plan (see *section 5 below for further detail on how the proposed Comprehensive Plan amendment complies with applicable goals and policies of the Comprehensive Plan*).

As indicated above, the current Industrial Comprehensive Plan designation and IG-1 zoning would remain for Piers 90 and 91 and the associated fill area, and this area would continue in active and traditional maritime industrial use.

Under either Comprehensive Plan amendment option, the opportunity to continue and expand operations of Citylce and Trident Seafoods north of the Magnolia Bridge would be retained and the existing greenbelt area at the western edge of the site would be preserved.

The Port views the two proposed options as mutually exclusive. After consultation with the City of Seattle and further public input regarding which option best meets the needs of the community, one of the options will be selected as the appropriate vehicle for amendment of the Comprehensive Plan.

Option 1 - Commercial/Mixed Use Designation for North Bay

Comprehensive Plan Map Amendment

Change the Comprehensive Plan map designation for the North Bay site (see Figure 1 for the North Bay site boundary), from Industrial to Commercial/Mixed Use. Designate the area as a Hub Urban Village.

Hub Urban Village Amendment Proposal

L30 Designate the following-locations as hub urban villages (Figure 1):

1. Lake City
2. North Rainier
3. Bitter Lake Village
4. Ballard
5. South Lake Union
6. West Seattle Junction
7. Fremont
8. North Bay

Accommodate the following 20-year growth targets in hub urban villages:³

Hub Urban Village	Residential Growth (approximate households)	Employment Growth (approximate jobs)
Ballard	1,520	3,700
South Lake Union	1,700	4,500
West Seattle Junction	1,100	2,300
Fremont	750	1,700
Bitter Lake Village	1,260	2,800
Lake City	1,400	2,900
North Rainier	1,200	3,500
<u>North Bay</u> ⁴	<i>Insert</i>	<i>Insert</i>

³ Comprehensive Plan, p. LU-30.

⁴ To be provided at a future date if specific growth numbers are required by the City and allocated as part of the 2004 Comprehensive Plan update.

Maps/Figures to Amend for New Designation of North Bay Property as Commercial/Mixed Use with a Hub Urban Village Designation

Amend Land Use Figure 1 on p. LU-10 of Comprehensive Plan to reflect the designation of the North Bay site as a Hub Urban Village, with boundaries consistent with the attached Figure 1.

Amend map of Ballard-Interbay-Northend Manufacturing/Industrial Center on p. NP-20 of Comprehensive Plan to remove the North Bay site from the map, consistent with the attached Figure 1.

Amend Land Use Appendix A (Land Use Figure A-1), on p. LU-A2 of Comprehensive Plan, to show the North Bay site as a Hub Urban Village, instead of a Manufacturing/Industrial Center. Boundaries are to correspond to the map in attached Figure 1.

Charts to Amend for New Designation

Amend Land Use Appendix B to include the below data on existing and expected growth in the North Bay Hub Urban Village.

Land (Area in Acres) – Approximately 121

Households

- Existing Households - 0
- Existing Density (HH/Acre) - 0 HH/ACRE
- Growth Target or Planning Estimate (HH Growth) - _____⁵
- Estimated 2010 Density - _____⁵

Employment

- Existing - Approximately 360⁶
- Existing Density (Jobs/Acre) - Approximately 3 Jobs/Acre
- Growth Targets or Planning Estimate (Job Growth) - _____⁵
- Estimated 2010 Density - _____⁵

Update Capital Facilities Appendix C (Comprehensive Plan p. CF-A35): Inventory of Facilities Serving Urban Centers and Villages consistently with the below figures and information:

North Bay Hub Urban Village:

Existing Households (HH): 0
Expected 6-yr. HH Growth: _____⁵
Expected 20-yr. HH Growth: _____⁵
Land Area: 121 acres
Existing Jobs: 360
Expected 6 yr. Job Growth: _____⁵
Expected 20 yr. Job Growth: _____⁵

⁵ To be provided at a future date if specific growth numbers are required by the City and allocated as part of the 2004 Comprehensive Plan update.

⁶ Represents an estimate of the full-time employment on the site. Part-time and seasonal employment on the site adds another approximately 100 jobs on the site at various points during the year.

<i>Facility Type</i>	<i>Name</i>	<i>Location</i>	<i>Capacity</i>
Fire Station	SFD 2	2334 4 th Ave.	#2 – 3.8 minute response time Engine Co., Ladder, Aid, Command
	SFD 8	110 Lee St.	#8 – 4.9 minute response time Engine Co., Ladder
	SFD 9	3829 Linden Ave. N	#9 – 4.5 minute response time Engine Co., Air
	SFD 18	1521 NW Market St.	#18 – 4.6 minute response time Engine Co., Ladder, Aid, HazMat Van, Battalion
	SFD 20	3205 13 th Ave. W	#20 – 5.2 minute response time Engine Co.
Police Station	West Precinct 810 Virginia St.		11.59 sq. mi. service area, 1994 population 64,699

LXX Notwithstanding other policies that reserve waterfront lots for port terminals and water-dependent and water-related industrial facilities and recreational developments, allow a limited amount of knowledge-based industry and supporting commercial uses on waterfront lots in the North Bay area where it does not conflict with such water-dependent or water-related uses.

Option 2 - North Bay Overlay

Add the following new goals, policies, and development standards:

Goals

LGXX Establish a North Bay Overlay in the area depicted in Figure 1 to encourage emerging knowledge-based industrial uses such as biotech, industrial design, software development and telecommunications, as a means of enhancing the vitality and employment associated with the traditional maritime industrial uses. The purpose of the overlay is to encourage job creation and to revitalize an area that is underutilized. In addition, encourage the creation of a multi-modal transportation hub in the North Bay vicinity and encourage transit-oriented-development in the overlay area. Other uses currently allowed would continue to be allowed.

LGXX Reinforce existing economic development policies that provide for the promotion of high-technology industries and the improvement of Seattle's competitiveness in this area by creating a North Bay Overlay to encourage and support such uses.

Policies

- LXX** Enhance opportunities for the development of emerging knowledge-based industries, including biotech, industrial design, software development, telecommunications, and similar uses, in the North Bay Overlay.
- LXX** Encourage the development of a multi-modal transportation hub in the vicinity of the North Bay Overlay.
- LXX** Create transit-oriented-development opportunities that can take full advantage of the fact that the North Bay site can become a multi-modal transportation hub over the next twenty years, potentially including monorail, commuter rail, bus, waterfront street car, and bicycle and pedestrian connections within easy access to the North Bay Overlay.
- LXX** Notwithstanding other policies that limit residential and commercial development in industrially-zoned and marine-related areas, encourage such uses in the North Bay Overlay to support development of knowledge-based industries and similar industrial uses, and to support creation of a vital, multi-modal transportation hub with successful transit-oriented-development.
- LXX** Notwithstanding other policies that reserve waterfront lots for port terminals and water-dependent and water-related industrial facilities and recreational developments, allow a limited amount of knowledge-based industry and supporting commercial uses on waterfront lots in the North Bay Overlay where it does not conflict with such water-dependent or water-related uses.

Development Standards

- LXX** Adopt development standards tailored to the North Bay Overlay consistent with Overlay goals and policies. Where consistent with the Overlay standards, the standards of the underlying zone shall also be applied. Where inconsistent, the Overlay standards shall govern.
- LXX** Adjust development standards relating to height, floor-area-ratio, and other standards for commercial and institutional uses as necessary to support the creation of a vibrant knowledge-based industrial cluster and transit hub.
- LXX** Adjust size limitations on commercial uses as necessary to encourage such uses in support of a vibrant knowledge-based industrial cluster and transit hub, while recognizing that such uses should not conflict with North Bay industrial development.
- LXX** Locate residential uses in areas that do not pose conflicts to industrial uses, but instead support these uses and support “smart growth” and sustainability policies.

PROPOSED MUNICIPAL CODE AMENDMENTS

Because the Port's planning and public outreach efforts for North Bay are ongoing, and the specific type of Comprehensive Plan amendment option to be pursued will not be determined until additional feedback from the City and public is received, proposed amendments to the Municipal Code are not proposed at this time. However, the types of Municipal Code amendments assumed to be necessary for the Comprehensive Plan amendment options are provided below.

For option 1, Commercial/Mixed Use with a Hub Urban Village designation, it will be necessary to amend the zoning map to rezone the North Bay site to one or more commercial designations (most likely C1 and/or C2). The Port may also seek amendments to the text of the commercial zoning code to facilitate the development of knowledge-based industrial and other uses. Any code amendments would be consistent with the Comprehensive Plan text changes described above. The code amendments would be proposed at a later point in the process.

For option 2, North Bay Overlay, adjustments would be made to the development standards of the industrial zoning relating to height, floor area ratio, size limits on commercial uses, and other standards for commercial and industrial uses. Also in the Overlay, residential uses could be permitted under certain conditions.

2) Describe how the issue is currently addressed in the Comprehensive Plan. If the issue is not adequately addressed, describe the need for it.

Since adoption of the Seattle Comprehensive Plan in 1994, the regional and local industrial market conditions have changed. The traditional industrial market (manufacturing and warehouse/distribution uses) has shifted from the City of Seattle to the outlying areas of South King County (Kent Valley), East King County, Pierce County and Snohomish County; the demand for industrial land and employment in Seattle has shifted from the more traditional industrial uses to emerging “knowledge-based” industrial uses such as biotech, industrial design, software development and telecommunications.

The Port has not been able to respond to the shift in the industrial market and a large portion of the site is underutilized, despite marketing efforts directed at traditional industrial uses. Relying solely on the traditional industrial uses allowed under the existing *Industrial* Comprehensive Plan designation and IG-1 and IG-2 zones will not provide for substantial employment growth opportunities or financial sustainability at North Bay due to the following:

- The Industrial designation and the IG-1 and IG-2 zones currently prohibit or restrict certain uses that are needed to accomplish the vision of creating a vibrant “knowledge-based” employment center at North Bay (i.e., high tech, biotech, service, retail uses).
- The potential for office and retail uses that could serve the North Bay population as well as the adjacent Magnolia and Queen Anne communities is, therefore, limited under existing zoning in order to preserve areas for traditional industrial development. This segregation of uses does not allow for the synergy of uses that is necessary to achieve a “knowledge-based” employment center.
- Existing industrial development standards that implement the Industrial designation limit height, floor area ratio and amount of development of non-industrial uses such that a viable mix of uses is not achievable at North Bay.
- Potential residential uses that could support a knowledge-based employment center and help achieve City housing and density objectives are prohibited in industrial areas.

Conclusion

- ❖ ***The proposed Comprehensive Plan amendments would provide the best opportunity for the Port to meet the current and future market demand for “knowledge-based” industrial uses.***
- ❖ ***The amendments would allow for viable, market-driven redevelopment of vacant and underutilized land, creation of new and diversified employment opportunities and long-term financial sustainability at North Bay while allowing continuation of other industrial uses (refer to section 1 for further detail on industrial***

market conditions and section 4 for public benefits that would result from the proposed Comprehensive Plan amendments).

3) *Why is the proposed change the best means for meeting the identified public need? What other options are there for meeting the identified need.*

As reflected in the goals and policies of the 1994 Seattle Comprehensive Plan and associated neighborhood plans, the fundamental principles (or public needs) that guide the Comprehensive Plan are: Community, Environmental Stewardship, Economic Opportunity and Security, and Social Equity. These public needs are further expressed in the Comprehensive Plan through the establishment of goals and policies for: compact, urban, pedestrian-oriented development; development that provides alternatives to auto dependence; conservation and access to shorelines, natural areas, open space, and wildlife habitat; promotion of sustainable employment opportunities; and, continuation of economic opportunity to help maintain the quality of life in Seattle.

Since adoption of the Seattle Comprehensive Plan in 1994, the regional and local industrial markets have changed. The traditional industrial market (manufacturing and warehousing uses for example) has shifted from the City of Seattle to the outlying areas of South King County (Kent Valley), East King County, Pierce County and Snohomish County, with the demand for industrial land and employment in Seattle shifting from the more traditional industrial uses to knowledge-based industrial uses such as biotech, industrial design, software development and telecommunications.

In response to these industry shifts and changing employment and industrial market conditions, the Port established public goals and needs for Port properties, including North Bay. These goals, which are listed below, are consistent with the public needs identified above.

- Economic Benefits – creation of new sustainable employment for the region.
- Environmental/Community Benefits – transportation infrastructure improvements, enhanced public access, environmental enhancement, and reclamation of unutilized/underutilized and contaminated property.
- Financial Sustainability – long-term profitability of Port resources.

Based on prior and ongoing planning and public outreach efforts, and consistent with the Port's established vision, goals and policies, this requested Comprehensive Plan amendment (under either option) is proposed as the best means of achieving the public needs established for the City of Seattle Comprehensive Plan and reflected as part of the Port's goals for the following reasons:

- Creation of an employment center integrating both existing maritime industrial uses with emerging knowledge-based industrial uses such as biotech, industrial design, software development and telecommunications. Potential for substantially more employment on the site (both construction and permanent employment) than under existing Comprehensive Plan and zoning designations.
- Creation of a new employment center through financially-viable and market-driven development would result in tangible revenue for a variety of entities including the State, County, City and the Port. Property and/or leasehold excise, sales, B & O, excise and utility tax revenues would increase.

- A range of new uses at North Bay would be consistent with urban infill sustainability goals (certain building, infrastructure and utility efficiencies could be realized by a broader mix of uses).
- Reconnection of the site and shoreline to the surrounding neighborhood. Future development would incorporate new vehicular and pedestrian connections from the Magnolia and Queen Anne neighborhoods to new site uses, amenities and the Elliott Bay shoreline.
- Inter-modal transportation opportunities. Increased employment and potential new residential populations at North Bay would support a planned Monorail station, a potential Sound Transit commuter rail station, and the potential streetcar extension in the area. Comprehensive Plan amendments would allow a range of uses that would further regional planning goals of providing higher density opportunities in proximity to multimodal transportation facilities.
- Creation of new public parks, plazas and other public pedestrian areas available to the new population at North Bay and the general public. Specific active and/or passive recreational use will be determined as part of the ongoing planning process and specific development proposals, and based on further input from the adjacent Magnolia and Queen Anne communities and the City of Seattle. The existing greenbelt area at the western edge of the site would be preserved.
- Opportunity for North Bay to provide a range of new retail and service businesses serving the new North Bay population as well as the Magnolia, Queen Anne and Interbay communities.
- Creation of new long-term revenue to allow the Port to achieve the goals of job creation, environmental stewardship and community benefit. Return on investment at North Bay would help sustain the maritime industry.
- Supports existing maritime uses at Piers 90 and 91, and the existing CityIce/Trident Seafoods operations, while introducing the potential for other compatible uses at North Bay.

Conclusion

- ❖ ***The Port's vision and goals for the North Bay site would be consistent with, and would help achieve, the identified public needs as reflected in the Comprehensive Plan.***

4) What do you anticipate will be the impacts caused by the change in text, including the geographic area affected and the issues presented? Why will the proposed change result in a net benefit to the community? If not, what type of benefit can be expected and why?

The proposed Comprehensive Plan amendments would allow for development of a knowledge-based industrial center providing expanded employment opportunities, commercial services and potentially housing in proximity to existing services and infrastructure, planned or potential multimodal transportation facilities (Monorail and Sound Transit stations), and the existing residential neighborhoods of Magnolia and Queen Anne. Future development consistent with the proposed amendments would result in a substantial new employment base in the Interbay area. While this new employment base would lead to increased traffic, demand for services, and increased activity levels in the area, such development would be consistent with many goals and policies of the Seattle Comprehensive Plan, and would provide public benefits to the City and surrounding community. Examples of public benefits that will result from the proposed Comprehensive Plan amendments include:

- Jobs – Creation of an employment center integrating both existing maritime industrial uses with emerging knowledge-based industrial uses. Potential for substantially more employment on the site (both construction and permanent employment) than under existing Comprehensive Plan and zoning designations.
- Fiscal Benefits – Creation of a new employment center through financially-viable, market-driven development would result in tangible revenue for a variety of entities including the State, County, City and the Port. Property and/or leasehold excise, sales, B & O, excise and utility tax revenues would increase.
- Shoreline Access – Reconnection of the site and shoreline to the surrounding neighborhood. Future development at North Bay would incorporate new vehicular and pedestrian connections from the Magnolia and Queen Anne neighborhoods to new site uses, amenities and the Elliott Bay shoreline.
- Open Space/Public Areas – Creation of new public parks, plazas and other public pedestrian areas available to the new population at North Bay and the general public. Specific active and/or passive recreational use will be determined as part of the ongoing planning process and specific development proposals and would be based on further input from the adjacent Magnolia and Queen Anne communities, and the City of Seattle. The existing greenbelt area at the western edge of the site would be preserved.
- Goods and Services – Opportunity for North Bay to provide a range of new retail and service businesses serving the new North Bay population as well as the broader Magnolia, Queen Anne and Interbay communities.
- Transit/Transportation – Inter-modal transportation opportunities. Increased employment and potential new residential populations at North Bay would support the planned Monorail station, the potential Sound Transit commuter rail station and potential street car extension in the area. Comprehensive Plan amendments would allow a range of uses that would further regional planning

goals of providing higher density opportunities in proximity to multimodal transportation facilities.

- Revenue to the Port – Creation of new long-term revenue to allow the Port to achieve the goals of job creation, environmental stewardship and community benefit. Return on investment at North Bay would help sustain the maritime industry.
- Sustainability/Smart Growth – A range of new uses at North Bay would be consistent with urban infill sustainability goals (certain building, infrastructure and utility efficiencies could be realized by a broader mix of uses).

Conclusion

- ❖ ***The proposed Comprehensive Plan amendments would provide substantial public benefits to the City and surrounding community.***

5) How would the proposed change comply with the community vision statements, goals, objectives, and policies of the Comprehensive Plan? Include any data, research, or reasoning that supports the proposed amendment.

The proposed Comprehensive Plan amendment would allow for the creation of a knowledge-based industrial center with pedestrian and transit facility orientation that would assist the City in achieving the goals and policies of the Comprehensive Plan.

The following lists certain goals, objectives and policies of the Seattle Comprehensive Plan and BINMIC Neighborhood applicable to the proposed Comprehensive Plan amendment, and provides discussion on compliance with these goals, objectives and policies.

COMPREHENSIVE PLAN

Land Use Element

Goal LG5 – Direct the greatest share of future development to centers and urban villages and reduce the potential for dispersed growth along arterials and in other areas not conducive to walking, transit use and cohesive community development.

Goal LG7 – Accommodate a range of employment activity to ensure employment opportunities for the city’s diverse residential population, including maintaining healthy manufacturing and industrial areas.

Goal LG9 – More efficiently use limited land resources.

Goal LG19 – Ensure that adequate accessible industrial land remains available to promote a diversified employment base and sustain Seattle’s contribution to regional high-wage job growth.

Goal LG22 – Accommodate concentration of housing and employment at strategic locations in the transportation system conveniently accessible to the City’s residential population, thereby reducing work trip commutes.

Goal LG23 – Provide convenient locations for commercial services that serve the populations of the village, surrounding neighborhoods, the city and the region.

Goal LG 24 – Accommodate concentrations of employment and housing at densities that support pedestrian and transit use and increase opportunities within the city for people to live close to where they work.

Policy L1 – Promote development in urban villages as compact mixed-use neighborhoods.

Discussion: *The proposed Comprehensive Plan amendments would allow for the creation of an employment center integrating both existing maritime industrial uses with emerging knowledge-based uses. The Comprehensive Plan*

amendments would also create the potential for substantially more employment on the site than under the existing Comprehensive Plan designation.

The large size of the North Bay site provides the opportunity for development of a range of complementary uses at densities sufficient to support potential multi-modal transportation connections in the area, with convenient access to 15th Avenue NW and the planned new Magnolia Bridge providing linkage to the surrounding community. This would be consistent with the goals of providing higher density uses in proximity to multimodal facilities.

Goal LG29 – Promote the distribution of growth within the city to achieve conditions that support more compact and less consumptive, high quality urban living, and to better balance development activity occurring throughout the city.

Goal LG30 – Concentrate a greater share of employment growth at locations more convenient to the city’s residential population to promote transit use and reduce the length of work trips.

Discussion: The proposed Comprehensive Plan amendments would allow for development of a knowledge-based industrial center providing employment, commercial services and potentially housing in proximity to existing services and infrastructure, potential multimodal facilities (Monorail and Sound Transit stations), 15th Avenue NW and the planned new Magnolia Bridge, and existing residential neighborhoods of Magnolia and Queen Anne. The proposed Comprehensive Plan amendment would allow flexibility in the range of new uses at North Bay.

Goal LG45 – Provide for a diversity of uses that contribute to the city’s total employment base and provide the services needed by the city’s residents and businesses.

Goal LG46 – Encourage business creation, expansion and vitality by allowing for a mix of business activities, while maintaining compatibility with the neighborhood-serving character of business districts, and the character of surrounding areas.

Discussion: The proposed Comprehensive Plan amendments would allow for the creation of an employment center integrating both existing maritime industrial uses with emerging knowledge-based industrial uses such as biotech, industrial design, software development and telecommunications.

The proposed Comprehensive Plan amendments would also provide the opportunity for a mix of uses supporting the employment center at North Bay and compatible with the existing maritime industrial uses associated with the piers and existing Trident/Citylce operations, and other potential industrial uses. Knowledge-based industrial uses typically seek to locate in areas proximate to other complementary uses, such as retail services and housing, and benefit from the availability of public amenities such as parks and trails. The North Bay site could be such a location. A broad mix of uses would contribute to the total employment base and range of services in the City of Seattle. Commercial uses at North Bay would provide goods and services conveniently accessible to residents of the Magnolia and Queen Anne neighborhoods.

Goal LG48 – Promote economic development and support growth in the industrial and manufacturing employment base.

Goal LG49 – Preserve industrial land for industrial uses and protect viable marine and rail-related industries from uses competing for scarce land resources.

Goal LG70 – Promote high-value-added economic development and support growth in the industrial and manufacturing employment base.

Goal LG72 – Provide opportunities for industrial activity to thrive.

Policy L215 – Consider manufacturing uses, advanced technology industries and a wide range of industrial-related commercial functions, such as warehouse and distribution activities appropriate activities for industrial areas.

Discussion: *The Port of Seattle’s vision for Terminal 91 and North Bay is to retain and support the existing maritime industrial uses at Piers 90 and 91 and associated fill area, while creating a knowledge-based employment center including uses such as biotech, industrial design, software development and telecommunications, and providing significant potential for high-value-added economic development. The proposed amendments respond to demand for a different type of industrial use than has existed in the past in the City of Seattle (generally prior to 1994), but that has become evident in nearby areas over the past several years (e.g., the Amgen biotech facility to the south of North Bay).*

The North Bay site represents only 12 percent of the current industrially designated land in BINMIC and only 2 percent of industrially designated land in the City of Seattle.

Economic Development Element

Goal EDG1 – Add between 131,400 and 146,600 jobs in the city over the 20-year period covered by this Plan, in order to alleviate and prevent economic distress in the City and to ensure long-term economic security and social equity to all Seattle residents.

Goal EDG2 – Accommodate a broad mix of jobs, while actively seeking a greater proportion of living wage jobs that will have greater benefits to a broad cross-section of the people of the City and region.

Discussion: *The proposed Comprehensive Plan amendments would provide the opportunity to add a substantial number of knowledge-based industrial jobs and supporting commercial jobs (including a broad mix of living wage jobs), to help achieve City of Seattle employment goals. The proposed Comprehensive Plan amendment would provide the potential for substantially more employment on the site (both construction and permanent employment) than under existing Comprehensive Plan and zoning designations, while maintaining the base of jobs at Piers 90/91, Citylce and Trident Seafoods.*

Policy ED19 – Recognize the importance of maintaining and enhancing the City’s tax base, including property taxes, to provide funds for capital facilities and city services for existing and future populations.

Discussion: *The opportunity for creation of a knowledge-based employment center provided by the proposed Comprehensive Plan amendment would result in tangible revenue for the City of Seattle and other entities. Increases in property and/or leasehold excise, sales, B & O, excise and utility tax revenues would provide additional funds for capital facilities and City services for existing and future populations.*

Goal ED21 – Strive to increase communication among government, businesses, major institutions and other entities that may provide economic opportunities, in order to: a) enhance the common understanding of issues related to employment growth, business competitiveness, public policy goals and program implementation and b) promote partnerships between government and business to achieve the goals of this plan.

Policy ED43 – Seek ways to create a local business environment that promotes the establishment, retention, and expansion of high-technology industries in the city. Where possible, look for opportunities to link these businesses to existing research institutions, hospitals, educational institutions and other technology businesses.

Policy ED44 – Seek ways to assist clusters of related business in advanced manufacturing, information technology and biotechnology to collaborate more closely with one another and to market themselves as magnets for capital, research talent and high-skill jobs.

Goal ED45 – Seek ways to support technology transfer and other efforts that increase the global competitiveness of Seattle’s exporters in advanced manufacturing, information technology, biotechnology and services in cooperation with other jurisdictions and with major education and research institutions.

Discussion: *The proposed Comprehensive Plan amendments would provide the opportunity for knowledge-based industrial uses in the City, including the potential for uses such as biotech, industrial design, software development and telecommunications. The opportunity for viable, market-driven knowledge-based industrial uses on the site, linked and clustered with other such uses nearby, under the existing Comprehensive Plan designation is limited.*

Policy ED46 – Preserve and support continued use of suitable shoreline areas for water-dependent and related business involved in ship-building and repair, fisheries, tug and barge, provisioning and the cruise-ship industries.

Discussion: *The overall vision of the Port of Seattle for Terminal 91 is to retain and support the existing maritime industrial uses at Piers 90 and 91, continuing to provide opportunities for water-dependent uses.*

Capital Facilities Element

Goal CF14 – Work with other public and non-profit entities toward coordinated capital investment planning, including coordinated debt financing strategies, to achieve the goals of Seattle’s Comprehensive Plan.

Goal CF15 – Work with other public and non-profit entities to include urban village location as a major criterion for selecting sites for new or expanded community-based facilities or public amenities.

Discussion: *The proposed Comprehensive Plan Amendments would provide a vehicle for the Port of Seattle (a public entity) and the City of Seattle to coordinate in allowing the opportunity for the creation of an employment center at North Bay providing jobs, open space/public areas, shoreline access, multi-modal transportation facility support, and fiscal benefits to the City and surrounding community. The Port would continue to work with the City, community and other entities in long-term capital facilities and infrastructure planning for the area.*

Transportation Element

Goal TG7 – Ensure that land use and transportation decisions, strategies, and investments are coordinated, are complementary, and support the urban village strategy.

Policy T11 – Provide adequate transportation facilities and services to promote and accommodate growth and change in urban centers, urban villages, and manufacturing/industrial centers. Seek to provide transit, walking and bicycling services and improvements to enable urban centers and urban villages to reach growth targets in a way that minimizes single-occupant vehicle travel.

Policy T14 – Encourage a mix of complementary neighborhood businesses and services in urban villages to encourage short trips easily made by walking or bicycling.

Discussion: *Future redevelopment of the North Bay site as a knowledge-based industrial center (consistent with the proposed Comprehensive Plan amendments) would support various transportation opportunities that are planned and/or possible for the surrounding area, as well as existing transit and bicycle/pedestrian facilities. The proposed amendments would further City of Seattle and regional planning goals of encouraging higher density uses in proximity to transit facilities (transit-oriented development). Emerging knowledge-based uses, such as biotech, industrial design, software development and telecommunications, would result in the types and density of jobs that benefit from and support accessible multi-modal transportation opportunities and bicycle/pedestrian connections.*

BINMIC NEIGHBORHOOD PLAN

- *Achieve growth targets and encourage manufacturing, industrial retention and growth. (pg.2)*

- *Retain existing businesses within BINMIC and promote their expansion. (pg. 9)*
- *Preserve sufficient capacity in shoreline areas for water dependent uses. (Ind. Policy)*
- *Attract new businesses to BINMIC. (pg. 9)*

Discussion: *The Port of Seattle's vision for Terminal 91 and North Bay is to retain and allow for the expansion of the existing maritime industrial uses at Piers 90/91 and existing operations of Citylce and Trident Seafoods, while creating a knowledge-based employment center providing significant potential for high-value-added economic development, including uses such as biotech, industrial design, software development and telecommunications. The proposed amendments respond to demand for a different type of industrial use than has existed in the past in the BINMIC area and the City of Seattle, but has been evident in nearby areas over the past several years, including the Amgen biotech facility to the south of the North Bay site.*

- *Encourage aggregation of smaller parcels of land into sites suitable for manufacturing and industrial use. (pg. 2)*
- *Provide opportunities for industrial reuse of vacant governmentally owned property within the BINMIC.*

Discussion: *The North Bay site consists of the aggregation of the Port of Seattle's 91-acre upland portion of Terminal 91 north of the Magnolia Bridge, the 5-acre West Yard property located south of the Magnolia Bridge and the 25-acre National Guard property immediately east of the upland portion of Terminal 91. This aggregation would result in a large site providing the opportunity for emerging knowledge-based industrial uses within a range of complementary supporting uses. This range of uses would allow for the type of synergy of uses that is necessary to achieve a successful, market-driven knowledge-based industrial employment center.*

The proposed Comprehensive Plan Amendments would allow for the redevelopment of the approximately 121-acre North Bay site, approximately 57 acres of which are currently vacant. The proposed knowledge-based industrial center would provide new and diverse industrial opportunities in the BINMIC area.

6) Is there public support for this proposed text amendment (i.e., have you conducted community meetings, etc.)? Note: All applications will be subject to full public participation, notice, and environmental review.

The Port staff and elected commission initiated significant public outreach activities in order to engage the nearby neighborhoods and the broader community in the ongoing North Bay planning process. The Commission is committed to hearing from the community. Port commissioners and staff have given numerous presentations to community groups over the last 22 months. They have also attended meetings of the community councils and have been in discussion with the Queen Anne-Magnolia District Council. Contacted groups have included the Neighborhood Advisory Committee, Magnolia Community Club, Queen Anne Community Council, BINMIC Action Committee, Manufacturing Industrial Council, Seattle Marine Business Coalition, North Seattle Industrial Association and the Fishermen's Terminal Advisory Committee.

A number of members of the media, community leaders, local elected officials and other stakeholders have been taken on tours of the North Bay site over the past few months. In fall 2003, a community-wide forum on transportation issues associated with potential redevelopment was conducted with neighborhood groups and property owners. In addition, Port staff is participating with the Seattle Department of Transportation and the Seattle Monorail Project on planned transportation improvement projects in the corridor.

The Port will continue its outreach efforts throughout 2004 and will work with the City to support the City's outreach regarding the overall 2004 Comprehensive Plan update.